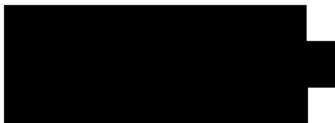


STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 2011-14578  
Issue No.: 2012  
Case No.: [REDACTED]  
Hearing Date: April 14, 2011  
DHS County: Wayne (82-55)

**ADMINISTRATIVE LAW JUDGE:** Jonathan W. Owens

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a hearing was held on April 14, 2011. Claimant appeared and testified.

**ISSUE**

Did the Department of Human Services (Department) fail to fully process Claimant's application for Medicaid (MA)?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. In November 2010, the Department received Claimant's application for MA.
2. On December 16, 2010, the Department denied Claimant's application.
3. On December 27, 2010, Claimant requested a hearing.

**CONCLUSIONS OF LAW**

MA is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department administers the MA program pursuant to MCL 400.10 *et seq.* and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

In the present case, the Department failed to process the application submitted in November 2010 for all possible MA programs. The Department issued a denial for excess income without considering any other program options. The hearing summary dated January 7, 2011, indicated the Department had incorrectly denied the application. The Department noted that Claimant would qualify for a spend-down case. The Department failed to process the application for a medical spend-down indicating Claimant needed to complete a new application for them to process.

The relevant policy can be found in BAM Item 105, p.1 and p. 11:

### **All Programs**

Clients have rights and responsibilities as specified in this item.

The local office must do all of the following:

- Determine eligibility.
- Calculate the level of benefits.
- Protect client rights.

On the same day a person comes to the local office, he has the right to file an application and get local office help to provide the minimum information for filing.

An application or DHS-1171-F, Filing Document, must be registered if it contains at least the following information:

- Name of the applicant.
- Birth date of the applicant.
- Address of the applicant.
- Signature of the applicant/authorized representative.

Determine eligibility and benefit amounts for all requested programs. A DHS-1171 application for cash assistance (FIP/SDA) is an application for medical assistance (MA/AMP), even if medical assistance is **not** checked as a program being applied for on page 1 of the application.

SSI recipients, Title IV-E recipients, special needs adoption assistance recipients and Department wards are automatically eligible for current MA.

Review the effect on eligibility whenever the client reports a change in circumstances. Actions must be completed within the time period specified in BAM 220.

At application and redetermination, thoroughly review all eligibility factors in the case.

At application, redetermination, semi-annual contact and mid-cert contact, **all** available automated systems matches to see if income has started, stopped or changed (e.g. Consolidated Inquiry (CI), SOLQ, etc.).

Do not check automated systems matches for Healthy Kids.

Application and redeterminations must be completed within the standards of promptness.


Document each determination of eligibility or ineligibility on the DHS-1171-C, Eligibility Determination and Certification, and inform the client of the decision.

The Department clearly failed to process the application for all MA options. The Department had a valid application for benefits submitted by Claimant and failed to correct the error they admitted to in the hearing summary completed on January 7, 2011.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department was not acting in compliance with Department policy when it failed to process Claimant's application for all applicable MA programs.

Therefore, the Department's decision is REVERSED. The Department is ORDERED to re-process Claimant's application submitted in November 2010 for all possible MA programs.

  
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Jonathan W. Owens  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: May 3, 2011

Date Mailed: May 3, 2011

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JWO/pf

cc:

